

PACIFIC GAS AND ELECTRIC COMPANY
Energy Efficiency 2018-2025 Rolling Portfolio Business Plan
Application 17-01-015
Data Response

PG&E Data Request No.:	CCEE_001-Q07		
PG&E File Name:	EnergyEfficiency2018-2025-RollingPortfolioBusinessPlan_DR_CCEE_001-Q07		
Request Date:	March 22, 2017	Requester DR No.:	001
Date Sent:	April 7, 2017	Requesting Party:	California Coalition for Energy Efficiency
		Requester:	Thomas A. Enslow

SUBJECT: APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U338E) FOR APPROVAL OF ENERGY EFFICIENCY ROLLING PORTFOLIO BUSINESS PLAN AND RELATED MATTERS. CCE-DR01

QUESTION 7

In the joint February 23, 2015 Advice Letter on the WE&T Program Implementation Plan Addendum (PG&E Advice 3567-G/4592-E; SDG&E Advice 3179-E; SCE Advice 3179-E; SoCalGas Advice 4765-G), the IOUs stated that they would add “workforce inclusion as a factor in ranking proposals by third-party contractors.”

- (a) Has “workforce inclusion” been added as a factor in ranking proposals by third-party contractors?
- (b) If yes, to what proposals does this requirement apply, what workforce inclusion information is required to be included in proposals, and how is it assessed in ranking proposals?
- (c) Will workforce inclusion be included as a factor in ranking proposals by third-party contractors under the 2018-2025 Energy Efficiency Rolling Portfolio Business Plan? If yes, how does the Business Plan ensure this will occur?

ANSWER 7

PG&E objects to this mischaracterization of the joint February 23, 2015 Advice letter. The IOUs did not state that they would add “workforce inclusion as a factor in ranking proposals by third-party contractors.” The quoted phrase appears on p.4 of Attachment 2 to the Advice Letter as a subject heading, and not as an activity the IOUs would specifically undertake. It is followed by an IOU commitment in 2015, to “**asses the feasibility of adding** (*emphasis added*) ‘workforce inclusion as a factor in ranking proposals for implementation work by third-party contractors for selected Resource Programs.’” The IOUs only committed to undertake a study in 2015. Nevertheless, PG&E considers supplier diversity per general order (G.O.) 156 as a factor in its selection of third-party contractors, including encouraging suppliers to have diversity programs of their own.

- a) Workforce inclusion *specifically* has not been added as a factor in ranking proposals by third-party contractors. PG&E considers supplier diversity per GO 156 as a factor in its selection of third-party contractors. Furthermore PG&E “encourages companies interested in providing services to PG&E to support Supplier Diversity Purchasing through its purchasing and subcontracting practices... The successful Bidder(s) will agree to a subcontracting plan, as part of their contract, to support PG&E’s commitment to utilize Diverse Suppliers as outlined below. The term subcontractor referred to in this plan applies to subcontractors that provide a service, and sub suppliers that provide material, parts, assemblies or components.”¹

- b) Third-party contractors will be evaluated under PG&E's company-wide supplier diversity and inclusion standards in conformance with GO 156. This includes considering a suppliers’ own diversity and inclusion programs. Please see **attached** General Instructions to Bidders for PG&E’s Supplier Diversity statement.

- c) PG&E will consider supplier diversity per GO 156 as a factor in its selection of third-party contractors under the 2018-2025 Energy Efficiency Rolling Portfolio Business Plan.

¹ PG&E General Instructions and Provisions, Requests for Proposals Section 14. (See attached)